#### § 298.3

Statute means Subtitle VII of Title 49 of the United States Code (Transportation).

Ton means a short ton, i.e., 2,000 pounds.

Wet-Lease Agreement means an agreement under which one carrier leases an aircraft with flight crew to another air carrier.

#### § 298.3 Classification.

- (a) There is hereby established a classification of air carriers, designated as "air taxi operators," which directly engage in the air transportation of persons or property or mail or in any combination of such transportation and which:
- (1) Do not directly or indirectly utilize large aircraft in air transportation;
- (2) Do not hold a certificate of public convenience and necessity and do not engage in scheduled passenger operations as specified in paragraph (b) of this section:
- (3) Have and maintain in effect liability insurance coverage in compliance with the requirements set forth in part 205 of this chapter and have and maintain a current certificate of insurance evidencing such coverage on file with the Department;
- (4) If operating in foreign air transportation or participating in an interline agreement, subscribe to Agreement 18900 (OST Form 4523 or OST Form 4507) and comply with all other requirements of part 203 of this chapter: and
- (5) Have registered with the Department in accordance with subpart C of this part.
- (b) There is hereby established a classification of air carriers, designated as "commuter air carriers," which directly engage in the air transportation of persons, property or mail, and which:
- (1) Do not directly or indirectly utilize large aircraft in air transportation;
- (2) Do not hold a certificate of public convenience and necessity;
- (3) Carry passengers on at least five round trips per week on at least one route between two or more points according to its published flight schedules that specify the times, days of the week, and places between which those flights are performed;

- (4) Have and maintain in effect liability insurance coverage in compliance with the requirements set forth in part 205 of this chapter and have and maintain a current certificate of insurance evidencing such coverage on file with the Department;
- (5) Have and maintain in effect and on file with the Department a signed counterpart of Agreement 18900 (OST Form 4523) and comply with all other requirements of part 203 of this chapter; and
- (6) Hold a Commuter Air Carrier Authorization issued in accordance with subpart E of this part.
- (c) A person who does not observe the conditions set forth in paragraph (a) or (b) of this section shall not be an air taxi operator or commuter air carrier within the meaning of this part with respect to any operations conducted while such conditions are not being observed, and during such periods is not entitled to any of the exemptions set forth in this part.

# § 298.4 Requests for statement of authority.

In any instance where an air taxi operator or commuter air carrier is required by a foreign government to produce evidence of its authority to engage in foreign air transportation under the laws of the United States, the Director, Office of Aviation Analysis (X–50), Office of the Secretary, 1200 New Jersey Avenue, SE., Washington, DC 20590, will, upon request, furnish the carrier with a written statement, outlining its general operating privileges under this part for presentation to the proper authorities of the foreign government.

## **Subpart B—Exemptions**

## §298.11 Exemption authority.

Air taxi operators and commuter air carriers are hereby relieved from the following provisions of the Statute only if and so long as they comply with the provisions of this part and the conditions imposed herein, and to the extent necessary to permit them to conduct air taxi or commuter air carrier operations:

(a) Section 41101;

- (b) Section 41504; except that the requirements of that section shall apply to:
- (1) Tariffs for through rates, fares, and charges filed jointly by air taxi operators or commuter air carriers with air carriers or with foreign air carriers subject to the tariff-filing requirements of Chapter 415; and
- (2) Tariffs required to be filed by air taxi operators or commuter air carriers which embody the provisions of the counterpart to Agreement 18900 as specified in part 203 of this chapter;
- (c) Section 41702, except for the requirements that air taxi operators and commuter air carriers shall:
- (1) Provide safe service, equipment, and facilities in connection with air transportation;
- (2) Provide adequate service insofar as that requires them to comply with parts 252 and 382 of this chapter;
- (3) Observe and enforce just and reasonable joint rates, fares, and charges, and just and reasonable classifications, rules, regulations and practices as provided in tariffs filed jointly by air taxi operators or commuter air carriers with certificated air carriers or with foreign air carriers; and
- (4) Establish just, reasonable, and equitable divisions of such joint rates, fares, and charges as between air carriers participating therein which shall not unduly prefer or prejudice any of such participating air carriers;
- (d) Section 41310, except that the requirements of that subsection shall apply to through service provided pursuant to tariffs filed jointly by air taxi operators or commuter air carriers with certificated air carriers or with foreign air carriers and to transportation of the handicapped to the extent that that is required by part 382 of this chapter:
  - (e) Section 41902;
  - (f) Section 41708.

#### § 298.12 Duration of exemption.

The exemption from any provision of the Statute provided by this part shall continue in effect only until such time as the Department shall find that enforcement of that provision would be in the public interest, at which time the exemption shall terminate or be conditioned with respect to the person, class of persons, or service (e.g., limitedentry foreign air transportation market) subject to the finding.

## Subpart C—Registration for Exemption by Air Taxi Operators

## § 298.21 Filing for registration by air taxi operators.

- (a) Every air taxi operator who plans to commence operations under this part shall register with the Department not later than 30 days prior to the commencement of such operations, unless, upon a showing of good cause satisfactory to the Manager, Program Management Branch (AFS-260), Federal Aviation Administration, registration within a lesser period of time is allowed.
- (b) The registration of an air taxi operator shall remain in effect until it is amended by the carrier or canceled by the Department.
- (c) Registration by all air taxi operators shall be accomplished by filing with the Department at the address specified in paragraph (d) of this section the following:
- (1) Air Taxi Registration (OST Form 4507), executed in duplicate. <sup>6</sup> This form shall be certified by a responsible official and shall include the following information:
- (i) The name of the carrier and its mailing address:
- (ii) The carrier's principal place of business, if different from its mailing address, and its telephone number and fax number;
- (iii) The carrier's FAA certificate number, if any, and the address and telephone number of the carrier's local FAA office:
- (iv) The type of service the carrier will offer (scheduled passenger, 7 scheduled cargo, mail under a U.S. Postal

<sup>&</sup>lt;sup>6</sup>OST Form 4507 can be obtained from the Manager, Program Management Branch, Federal Aviation Administration, AFS-260, or on the World Wide Web at <a href="http://www.faa.gov/avr/afs/afs200/afs260/Part298.cfm">http://www.faa.gov/avr/afs/afs200/afs260/Part298.cfm</a>.

<sup>&</sup>lt;sup>7</sup>Companies proposing to provide scheduled passenger service at the level established by this Part for commuter air carriers are not permitted to conduct such operations under their air taxi registration; such companies must first be found fit, willing and able to